

ATTACHMENT "A"

BEST AND FINAL OFFER TERM SHEET

Directions: This is a two-part Best and Final Offer Term Sheet. You must complete **Sections I and II**, signing each section where indicated. Section 11 must be submitted together with the relevant financial information in a sealed envelope. The sealed envelope and the materials in the envelope should be marked *CONFIDENTIAL - FINANCIAL TERMS*.

This term sheet is supplementary to our Cover letter and is intended to provide the reader with the ability to compare and contrast the attached Lease and the Lighthouse Group's vision with the responses to the Request for Best and Final Offer provided by the three respondents to the RFP. This summary is not intended to modify or amend the terms of the attached Lease.

SECTION I DEVELOPMENT PLAN		
TERM	COUNTY VISION	PROPOSER'S RESPONSE
I-1 Development Concept:	<p>The vision for the redevelopment of the Coliseum Site is for a transformation of the site into an attractive multiple-use destination center consistent with the County's vision for New Suburbia and with the following principal goals:</p> <p>(i) the renovation or replacement of the Coliseum building into a state-of-the-art, world-class sports and entertainment facility at no cost to the County;</p>	<p>Our vision includes fully developed plans to not only renovate, but completely transform the Coliseum into one of the nation's top venues consisting of 20,000 seats with state of the art technology designed to serve as a premier destination for sports and entertainment events at no cost to the County. The arena will be part of a larger complex consisting of a world class sports complex which will boast four sheets of ice, basketball courts and fitness center. This integrated facility will allow Nassau County to attract super-regional events such as NCAA tournament championships, which had previously been impossible to host. Lighthouse is</p>

	<p>(ii) the extension of the Islanders' agreement or an agreement with a comparable professional sports franchise;</p> <p>(iii) the use of structured parking adjacent to the Coliseum building to free up land for other development;</p>	<p>the only one to have fully integrated detailed plans for the transformation of the Coliseum. To this end, we have already spent millions of dollars toward the completion of the plans for the transformation. Our proposal also provides additional assurances that the transformation will be completed, including the personal guaranty of Charles Wang for the completion of the Coliseum improvements.</p> <p>Our Lease guarantees the retention of Long Island's only major professional franchise. It is important to note that no other bidder has even attempted to contact the Islanders to discuss extension of their lease, nor has any other bidder proposed to replace the Islanders with any other major sports franchise. In fact, the only other potential sports alternative proposed, a minor league baseball stadium, operates only five months a year and represents only a small fraction of the revenue generated by the Islanders and the Coliseum. It is clear that the only economic engine sufficient to drive the desired revenue for the County is a major league sports franchise like the New York Islanders.</p> <p>In addition to extensively utilizing structured parking on the property adjacent to the Coliseum, Lighthouse offers unique benefits due to the ownership of additional development parcels (at Reckson Plaza and the Marriott Hotel) as well as the ownership of Marriott Hotel, Reckson Plaza and Omni office complexes. Ownership of these existing properties including control of the Marriott easements allow us to tie in the 77 acre site, creating 150 acres of existing and developable property which permits us to maximize the developable area of the site while providing the greatest flexibility for parking alternatives (including the utilization of 6,200 spaces located on the adjacent sites). This broader scope will afford us the unique advantage of hosting national and super-regional events without exhausting the Coliseum</p>
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	<p>(iv) the creation of a mixed-use, commercial/residential development;</p>	<p>site for additional permanent parking. This will enable us to reach a wider audience, bring in more revenue for the County and still preserve more area for public and green space. It will also allow us to stage construction with the least impact on the operations of the Coliseum. No one other than Lighthouse has any interest in any other property surrounding the Coliseum. Any other developer will likely face significant challenges relating to these matters.</p> <p>Our vision for the site is significantly enhanced by our surrounding properties which together creates an over \$2 billion mixed use modern suburban center which would serve as a destination for Long Islanders and others. As a result of our significant efforts in community outreach and our unique knowledge of the Coliseum itself, we have developed a program that is complementary to the surrounding area, designed to maximize revenue to Nassau County and will firmly establish the Coliseum site as a superior modern suburban center that will be admired by the entire country. Our vision includes:</p> <ul style="list-style-type: none"> a. The Coliseum and related sports complex: <ul style="list-style-type: none"> i. Premier arena for the New York Islanders, New York Dragons, NBA Teams, and special events; ii. 20,000 seats with state of the art technology designed to serve as a premier concert destination; iii. Regional hockey center with four sheets of ice to accommodate national tournaments; and iv. World class sports facility that will be open to the public. b. Multiple residential components addressing the County's housing shortage at all levels of the market: <ul style="list-style-type: none"> i. High-end residential that leverages services of a 5 star
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		<ul style="list-style-type: none"> hotel; ii. Housing at every appropriate level (as determined in conjunction with the Town of Hempstead, e.g. Luxury, Next Generation, 55 and over and student housing); and iii. Rental and for sale units. <p>c. Class A offices to attract and retain large users in need of modern facilities:</p> <ul style="list-style-type: none"> i. Provides Nassau County with the development potential to form a foundation for new industry and attract and retain large office users in modern facilities. <p>d. Sports Technology Center which would leverage the sports complex and develop a new industry on Long Island:</p> <ul style="list-style-type: none"> i. Leverage sports complex, home sports teams (e. g. Islanders and Dragons) and fan base to target tenants that focus on sports technology; ii. Provide multi-tenant office space which complements other office uses in the area. iii. Create new opportunities for local Colleges and Universities (i.e. Hofstra University, Adelphi University, Nassau Community College and New York Institute of Technology, Stony Brook University, SUNY Farmingdale and Suffolk Community College) to establish working relationships with the business community and create new curriculum in sports technology; iv. Create new jobs in Sports Technology research and development. <p>e. Lifestyle retail to support the development and surrounding properties:</p> <ul style="list-style-type: none"> i. Multiple entertainment, themed restaurant and other restaurant venues;
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	<p>(v) the construction of Next Generation Housing;</p> <p>(vi) the expansion of the tax base for Nassau County, the Town of Hempstead and applicable school district(s); and</p>	<ul style="list-style-type: none"> ii. Stores and shops that will be connected with and complementary to the surrounding properties; iii. Not anticipated to be competitive with other destination retail in the surrounding area. f. Hotels and convention center which would include upgrading the Marriott and adding Long Island's only five star hotel and world class spa: <ul style="list-style-type: none"> i. Both hotels would be tied into the convention center to create 250,000 square feet of meeting space. g. Significant green space and exceptional public spaces with a park larger than Bryant Park to allow for gatherings and outdoor events. h. Suitable memorial to honor the veterans of Nassau County. <p>We acknowledge the importance of Next Generation (Work Force) Housing and therefore have agreed to provide up to 20% Next Generation Housing in accordance with the terms of the attached Lease. We understand that Next Generation Housing is essential to the future of Nassau County and are committed to working with the Town of Hempstead to ensure that Next Generation Housing is provided so that our children can live and work on Long Island and the County can attract and retain the necessary workforce to prosper for years to come.</p> <p>Our unique vision for the Coliseum site will transform the Coliseum into an economic engine that will generate new and exciting job opportunities, new industries and multiple revenue streams for the County. As demonstrated in the report by Stafford Sports, our plans to transform the</p>
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	<p>(vii) the enhancement of the Coliseum site with a viable public transportation system connecting the site with the greater area known as the Nassau County Hub; concurrent with positive impacts and relationships on surrounding development and parcels.</p>	<p>Coliseum alone will generate more than \$200 million of new revenue to the State and County. We anticipate that our development will generate in excess of \$50 million of new real estate taxes on an annual basis. In addition, the total project is anticipated to involve approximately \$1.5 billion of new investment creating thousands of new jobs, millions of square feet of new properties and generating millions of dollars of sales revenue resulting in millions of dollars of additional tax revenue to the County, Town and schools on an annual basis. During the more than 100 meetings with community groups, Town representatives and the Uniondale School District, each of the constituents emphasized the importance of our project in the creation of new jobs and increased tax revenue to support their activities.</p> <p>As opposed to developing the Coliseum site as a stand alone project, our vision is to transform the Coliseum site into a pedestrian oriented destination which will connect and integrate the various components to form a much larger cultural and physical Hub connecting entertainment, offices, shops, museums, schools and recreation. We recognize that public transportation is an integral part of creating the new Hub for the County and we believe that it will enhance the overall project. Due to our ownership of the Islanders and the adjacent properties, we are both motivated and aligned with the County in the desire to see a viable public transportation system serve the site. To that end, we envision dropping the surrounding roadways to emphasize pedestrian and public transportation. In that regard, we will work with the State and Federal Governments to secure funding to accomplish this goal. We will provide the required easements for the on-site infrastructure (as set forth in the attached Lease) and incorporate the on-site station(s) for a light rail or alternative system into our plan. Additionally, our control of the adjacent properties and development sites</p>
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		puts us in the best position to design the transportation system in a way that best integrates the surrounding area and brings the entire “Hub” together.
I-2 The Coliseum Site:	<p>Section 44, Block F, Lots 403 and 351 aggregating approximately 77 acres (the "Coliseum Site"). The Coliseum Site is currently comprised of a Coliseum building which hosts the New York Islanders, a National Hockey League team, and is a site for concerts and other entertainment events. The Coliseum is surrounded by surface parking. The County's concept includes the use of structured parking adjacent to the Coliseum building to free up land for mixed-use, residential/commercial Development. Developer should indicate how adjacent sites may relate, complement and enhance redevelopment of the Coliseum Site.</p>	<p>In addition to extensively utilizing structured parking on the property adjacent to the Coliseum, Lighthouse offers unique benefits due to the ownership of additional development parcels (at Reckson Plaza and the Marriott Hotel) as well as the ownership of the Marriott Hotel, Reckson Plaza and Omni office complexes. Ownership of these existing properties, including control of the Marriot easements, allows us to tie in the 77 acres to creating 150 acres of existing and developable property which permits us to maximize the developable area of the site while providing the greatest flexibility for parking alternatives (including the utilization of 6,200 spaces located on the adjacent sites). This broader scope will afford us the unique advantage of hosting national and super-regional events without exhausting the Coliseum site for additional permanent parking. This will enable us to reach a wider audience, bring in more revenue for the County and still preserve more area for public and green space. It will also allow us to stage construction with the least impact on the operations of the Coliseum. No one other than Lighthouse has an interest in any other property surrounding the Coliseum. Any other developer will likely face significant challenges relating to these matters.</p>

		<p>As opposed to developing the Coliseum as a stand alone project our vision will transform the coliseum site into a pedestrian oriented destination which will connect and integrate the various components to form a much larger cultural and physical hub connecting existing and newly created entertainment, offices, shops, museums, schools and recreation.</p>
I-3 Disposition Structure	The County will consider a sale or a lease for a term not exceeding 99 years.	As per the attached Lease, the County and Lighthouse have fully negotiated a comprehensive groundlease with the ability for Lessee to acquire fee title.
I-4 Coliseum Site Development and County Review and Approval	<p>The vision for the redevelopment of the Coliseum Site is for a transformation of the site into an attractive multiple-use destination center consistent with the County's vision for New Suburbia. The County will reserve the right to review and approve developer's site plan attached to the Best and Final Offer and any and all changes to the developer's site plan(s), including those that result from the Town of Hempstead's review and approval process, in each case, essentially to ensure that the plan is consistent with the County's vision for New Suburbia. With respect to the Coliseum. building renovation, the County will retain approval rights over the building plans and designs. These County approvals will be in addition to all other requisite approvals, such as those required from the Town of Hempstead.</p>	<p>Per the attached Lease, the County has previously approved the scope of work for the Coliseum. The Lease intentionally leaves the approval of the final site plan with the Town of Hempstead. Based on decades of successful development experience on Long Island, we believe it is essential to the project that the Lease provide the flexibility to address concerns raised by the Town of Hempstead relating to composition, density and other matters, and we therefore maintain that it is necessary and appropriate for final site plan approval to be vested with the Town of Hempstead.</p>

I-5 Option Period	<p>Developer will be given a 2 year option period, subject to a potential 2 year extension upon County approval, to obtain the required zoning changes, site plan approvals and all other requisite governmental approvals necessary to commence construction, including the requisite environmental review under the State Environmental Quality Review Act ("SEQRA"), as well as to complete its own environmental reviews, apply for state and federal incentives, conduct other due diligence and effectuate the SMG lease termination, amendment, or condemnation to obtain site control. (The original 2 year period, together with any extension, is referred to herein as the "Option Period".)</p> <p>If the purchase does not close, or lease commence, prior to the expiration of the Option Period, the County may terminate the agreement.</p>	<p>In accordance with Section 53 of the attached Lease, , Lighthouse has agreed to a two year option period and a two year extension with termination rights thereafter.</p>
I-6 Coliseum Renovation	<p>The County recognizes that the level of renovation will be, in part, a function of the commitment of the professional sports franchise to play at the Coliseum building and that the amount and type of Coliseum renovation required will be based on the underlying sports agreement. Based on a minimum extension of the Islanders' agreement to 2025, or an agreement with a comparable professional sports franchise for a similar term, developer will be required to:</p> <ul style="list-style-type: none"> (1) renovate or replace the Coliseum offering a state-of-the art, modern facility in accordance with building plans and specifications approved by and in all respects acceptable to the County, including a financial investment of at least \$150 million (not including parking); (ii) construct adequate on-site, structured parking dedicated to the Coliseum. Developer must indicate the number of on-site, structured parking spaces it proposes; 	<p>Only Lighthouse guarantees retention of Long Island's only major professional sports team. The Lighthouse has also spent millions of dollars in developing completed plans for the transformation of the Coliseum and has already had these plans approved by the County. These plans involve approximately \$320 million of investment, including the extensive utilization of structured parking. The construction has already been designed to be completed within 3 years and with the cooperation of the Islanders and the NHL has been staged around the off season and certain scheduling changes. Per the attached Lease, Lighthouse has agreed to complete the improvements to the Coliseum prior to development of the remainder of the site or Charles Wang shall personally guarantee the completion of the Coliseum. The control of the surrounding sites (including the additional 6,200 parking spaces) provides for unrivaled flexibility in both the staging of construction and future parking requirements (including the ability to host super-regional events, without the construction of additional parking.) This</p>

	<p>(iii) complete the Coliseum renovations within 3 years after closing or the lease commencement date;</p> <p>(iv) complete the construction of the Coliseum renovation and ancillary parking prior to commencing construction on any non-Coliseum improvements; and</p> <p>(v) provide adequate parking for the Coliseum at all times.</p> <p>Developer must set forth its offer to renovate the Coliseum building, including specific details such as a description of the proposed renovation work and the timeline for construction.</p>	flexibility results in a greater overall developable area which can be devoted to active uses, parks and green space.
I-7 Sports Franchise	Developer will be required to demonstrate to the County that it has obtained an extension of the New York Islanders' agreement to play professional hockey at the Coliseum for a term acceptable to the County, or, in lieu thereof, for an agreement with a comparable professional sports franchise(s) acceptable to the County. It is the County's objective to obtain a long-term (e.g., greater than 10 years) commitment from the Islanders or a comparable professional sports franchise.	Only Lighthouse guarantees the retention of Long Island's only major professional franchise. It is important to note that no other bidder has even attempted to contact the Islanders to discuss extension of their lease, nor has any other bidder proposed to replace the Islanders with any other major sports franchise. In fact, the only other potential sports alternative proposed, a minor league baseball stadium, operates only five months a year and represents only a small fraction of the revenue generated by the Islanders and the Coliseum. It is clear that the only economic engine sufficient to drive the desired revenue for the County is a major league sports franchise like the New York Islanders.
I-8 Reverter/Lease Termination	In the event that the Islanders or another comparable professional sports franchise acceptable to the County ceases to play sporting events at the Coliseum, title to the Coliseum building and land necessary to support the Coliseum building shall, at the option of the County, revert back to the County or the lease of such land shall terminate, as applicable.	The attached Lease is conditioned on a long term agreement with the New York Islanders. The County has the right to terminate the lease if the condition is not met. Per <u>Section 4.4</u> of the attached Lease it is an express condition that not later than the Commencement Date, Lighthouse shall cause the New York Islanders lease agreement to be extended for a term expiring not earlier than July 31, 2025. The agreement shall provide, without the consent of The County of Nassau (no matter who is the landlord of the lease at the time), the lease may not be amended in any

		manner which would (a) shorten the term thereof, (b) diminish or reduce the obligation of the Islanders to play their home games at the Coliseum, (c) result in a change in the Islander's name, (d) reduce any of the Islanders' monetary obligations thereunder, or (e) limit the right of Nassau County to enforce those provisions of such lease which the County has the right to enforce.
I-9 Coliseum Operations	Developer will be required to maintain and operate the Coliseum in a first-class manner, maximizing opportunities to host events and generate economic impact for the County. A first class operation requires meeting industry standards for a similarly situated state-of-the-art, Multipurpose, professional sports and entertainment arena. The Coliseum building must be used for sporting and entertainment events consistent with those events held at other state-of-the-art arenas.	Lighthouse has agreed to transform the Coliseum into one of the Nation's premier arenas which will become a top venue for sports, concerts, showcases, events and entertainment of all kind for the benefit of all of Long Island. Lighthouse is committed to operate the Coliseum in a first class manner meeting the highest standards consistent with the premier arena it will become.
I-10 Next Generation Housing	Developer shall be required to commit to build a minimum of 20% for-sale/rental residential units within the Coliseum Site, which units must be for "Next Generation Housing," defined as housing that is affordable for a family or individual having an annual income up to 120% of the Area Median Income as defined by the United States Census.	We acknowledge the importance and value of providing ample housing at various economic levels and therefore have agreed to provide up to 20% Next Generation Housing in accordance with the terms of the attached Lease.. We understand that in order for Nassau County to prosper, it must be able to attract and retain the appropriate workforce and that Next Generation housing is one of the most essential elements of achieving this goal. We are committed to providing the appropriate level of Next Generation Housing and will work with the Town of Hempstead to determine the appropriate mix of housing to achieve this Goal.

I-11 Public Transportation	<p>Developer shall be required to provide for public transit access and use at the Site in connection with a future transportation system. Developer must provide for rights-of-way, public access easements and financial investment dedicated to the effective and efficient use of a new transportation system. Please show preliminary transportation features in the conceptual site plan (Attachment "C"). To make this vision a reality, the County wishes to secure a partner committed to development at the Coliseum Site which is supported by a public transportation system servicing both the Coliseum and the greater area known as the Nassau County Hub.</p>	<p>As opposed to developing the Coliseum site as a stand alone project, our vision is to transform the Coliseum site into a pedestrian oriented destination which will connect and integrate the various components to form a much larger cultural and physical Hub connecting entertainment, offices, shops, museums, schools and recreation. We recognize that public transportation is an integral part of creating the new Hub for the County and we believe that it will enhance the overall project. Due to our ownership of the Islanders and the adjacent properties, we are both motivated and aligned with the County in the desire to see a viable public transportation system serve the site. To that end, we envision dropping the surrounding roadways to emphasize pedestrian and public transportation. In that regard we will work with the State and Federal Governments to secure funding to accomplish this goal. We will provide the required easements for the on-site infrastructure (as set forth in the attached Lease) and incorporate the one-site station(s) for a light rail or alternative system into our plan. . Additionally, our control of the adjacent properties and development sites put us in the best position to design the transportation system in a way that best integrates the surrounding area and brings the entire “Hub” together.</p>
I-12 Insurance:	<p>Developer, under a lease scenario, will be required to provide property and casualty insurance on the Coliseum and improvements necessary for the operation of the Coliseum and liability insurance on the entire Coliseum Site, all in such amounts, with such companies and pursuant to policies which, in each case, must be acceptable in form and substance to the County.</p>	<p>Per the terms of the attached Lease, <u>Section 15</u> Lighthouse has agreed to specific insurance requirements including without limitation property and casualty insurance on the Coliseum and improvements and other improvements and liability insurance on the entire Coliseum Site. The limits of coverage and acceptable companies contained in the Lease have been agreed to by the County.</p>

I-13 Repairs:	Developer shall be responsible, at developer's sole cost and expense, for making all repairs to the Coliseum building and improvements necessary for the operation of the Coliseum building, including repairs resulting from a casualty.	Per the terms of the attached Lease <u>Sections 11 and 16</u> , Lighthouse has previously agreed to be fully responsible for repairs, restorations and other requirements, including upon casualty.
I-14 Assignment:	The contract of sale or lease may not be assigned without the County's consent.	Per the terms of the attached Lease <u>Section 18</u> , Lighthouse and the County have previously agreed to an assignment provision.
I-15 U.S. Green Building Certification	Developer will be required to obtain a "Certified" ranking under the LEED rating system. The entire 77 acre Coliseum site shall be planned, designed and constructed to achieve certification under the Leadership in Energy and Environmental Design for Neighborhood Developments (LEED-ND) Rating System. The development team shall apply for certification under the LEED-ND pilot program.	Lighthouse is committed to develop the site in an energy and environmentally friendly manner and will seek to employ the LEED-ND Rating System to the extent commercially reasonable.
I-16 Public and Green Space	Developer shall clearly identify all proposed public spaces, including green spaces. Public and green spaces shall be designed to provide first class amenities to the public, with sensitivity to both the adjacent structures and the surrounding community needs.	Public and Green spaces are an essential part of the Lighthouse proposal. By taking advantage of the adjacent properties we are able to fully maximize the developable area while maintaining the greatest amount of open and green spaces of all the bidders. The Lighthouse vision is centered around a park larger than Bryant Park which will serve as a "Town Square" where people can gather and outdoor events can be performed enjoyed. Our vision also incorporates numerous other publicly accessible large open green spaces as well as a number of more "intimate" "pocket parks".
I-17 Antenna Rights:	County reserves right to use portions of the Coliseum Site or the improvements thereon for operation of telecommunications equipment.	Per <u>Section 8.7</u> of the attached Lease, provisions for the placement of antennas on the Premises have been agreed.

I-18 County Use of Coliseum:	County reserves the right to use Coliseum for County events up to 10 days per year, at no cost to the County other than payment by County of actual expenses, subject to availability.	Per <u>Section 8.4</u> of the attached Lease the County is entitled to use the Coliseum at no charge other than payment of actual expenses for up to 10 days per year.
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This term sheet is supplementary to our Cover letter and is intended to provide the reader with the ability to compare and contrast the attached Lease and the Lighthouse Group's vision with the responses to the Request for Best and Final Offer provided by the three respondents to the RFP. This summary is not intended to modify or amend the terms of the attached Lease.

SECTION II FINANCIAL TERMS		
TERM	COUNTY VISION	PROPOSER'S RESPONSE
II-1 Financial Benefits to the County	<p>The County seeks to maximize the payments, economic benefits, and any other return on investment to the County in connection with the disposition of the Coliseum Site. The proposed financial benefits to the County should reflect the level of development shown on developer's site plan and in the development parameters attached to the Best and Final Offer.</p> <p>Developer must provide its best and final offer with respect to the following payments to the County.</p> <p>(a) If the disposition is a lease of the Coliseum Site,</p> <p>(i) Option Period Rent. The County is suggesting a 2 year option period with a potential 2 year extension. Developer must identify when during the Option Period, and in what amount, developer proposes to start making option payments.</p> <p>(ii) Base Rent. Developer must set forth the amount of guaranteed base rent lease payments, as well as the commencement date for such rent, the proposed base rent escalations (e.g., the type/timing), and the proposed fair market rental resets.</p>	<p>The County is currently losing approximately \$1.5 million per year on the Coliseum. This number will only increase as the building continues to age. The County currently has the obligation to provide its main tenant, the NY Islanders, with a first-class facility, but cannot afford to meet its obligation.</p> <p>Our Lease allows the County to reverse its current operating losses (Lighthouse assumes all repairs and maintenance costs), provides an annual positive rent (an escalating \$1.5 million per year), and removes the County's obligation to provide a first-class facility (Lighthouse assume such obligation) and derive significant incremental revenue to the County from the Coliseum (estimated at more than \$100 million over 25 years). Additionally, the underutilized site will derive more than \$50 million of increased annual tax revenue based on new construction.</p> <p>(i) <u>Option Period Rent.</u> Per the terms of the attached Lease <u>Section 53</u>, Lighthouse shall have 24 months from the date of the Lease to complete all due diligence and to obtain all necessary Final Approvals and Benefits with respect to the Renovation of the Coliseum and any other Improvements at the Premises ("Approvals Period"). Lighthouse has the right to an extension for an additional 24 months.</p>

	<p>(iii) Rent Increases. Developer must set forth its offer to increase the guaranteed base rent if beneficial development (e.g., greater density) is approved and land value is increased, including any proposed formula for any such increased base rent. If the development plan is based on multi-phase development, developer must set forth its offer to increase the guaranteed base rent or other payment to the County in this instance.</p> <p>(v) Purchase Option Payments. If there is a purchase option during the lease term, developer must describe the mechanics of this option, including the land to be purchased and the purchase price.</p>	<p><u>Approvals Period Rent.</u> Per the attached Lease, Lighthouse <u>Section 5</u> shall pay \$1,500,000 plus escalations annually on the Rent Commencement Date. Rent Commencement Date is the sooner to occur of obtaining the necessary approvals or the end of the Option Period.</p> <p>(ii) and (iii) <u>Base Rent and Rent Increases.</u> Per the terms of the attached Lease <u>Section 5</u>, “Fixed Annual Rent” is - \$1,500,000 for the first term year, and each year thereafter the product of (x) the Fixed Annual Rent for the immediately prior Lease Year multiplied by (y) an “Increase Factor”, defined as the sum of 100% plus the percentage increase in the CPI Index between the first day of the Lease Year with respect to which such calculation is being made over the first day of the immediately preceding Lease Year. Increase Factor in any Lease Year shall never be less than 102.5% nor greater than 103.5%. Payable in equal monthly installments on the first day of every month.</p> <p>In addition to base rent and the increases summarized above, per the terms of the attached Lease <u>Section 6</u>, Lighthouse shall also pay Additional Rent – Lighthouse shall be required to pay all “Impositions”, which include all real estate taxes, assessments, water and sewer charges and similar charges.</p> <p>(iv) Purchase Option Payments. Per the terms of the attached Lease unless Lighthouse has given a valid purchase option Notice in accordance with <u>Section 25</u> of the Lease or a right of first refusal has been validly exercised in accordance with <u>Section 20</u> of the Lease, upon the expiration of the Term or the sooner termination of the Lease, title to and ownership of</p>
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		<p>the Improvements shall automatically vest in the County without the execution of any further instrument and without payment by the County therefor.</p> <p>Per the terms of the attached Lease <u>Section 20</u>. The County must give notice to Lighthouse of any offer before it sells all or any portion of its interest in the Premises to any person or entity other than Lighthouse ("Sale Notice"). Such Sale Notice shall be deemed an offer to Lighthouse upon the same price, terms and conditions.</p> <p>Per the terms of the attached Lease <u>Section 25</u> Lighthouse shall have the right to obtain a release from the Lease or portions of the Premises other than the Coliseum Parcel (including all Coliseum Improvements) and to acquire title to each separate portion of the Premises from the County for \$1.00 provided that : (a) the Renovation of the Coliseum and the Coliseum Improvements have been Substantially Completed or the Completion Guaranty has been delivered to the County, (b) the ownership of the parcel is desirable for its use and (c) the County's right to receive the full Fixed Annual Rent shall be unaffected by such release. The Fixed Annual Rent is to stay at all times with the Coliseum Parcel.</p> <p>(v) Per the terms of the attached Lease <u>Section 6.2</u> and as mentioned above, Lighthouse is required to pay all Impositions which include real estate taxes.</p> <p>(vi) Per the terms of the attached Lease <u>Section 14.1</u> the Lighthouse is solely responsible to contract directly for utilities. To the extent that hot and chilled water, and steam, that the County obtains from Trigen are made available to Lighthouse at commercially reasonable and market rates and</p>
	<p>(v) Real Estate Taxes. Developer will be expected to pay all real estate taxes on the land and the improvements, except that developer will not pay the County-portion of real estate taxes on the Coliseum building itself.</p> <p>(vi) Utilities. Developer will be solely responsible. Developer agrees to purchase any hot and chilled water, and steam, that the County obtains from Trigen.</p> <p>(b) If the disposition is a fee simple transfer of the Coliseum Site, developer must identify the proposed purchase price to be paid to the County, together with the proposed payment terms. The purchase price should be based upon "as is" physical condition of the property, and should assume that the approvals for the developer's proposed development shall have been granted. Please provide any alternatives that would be applicable in the</p>	

	event of changes during the approval process.	<p>are readily available, Lighthouse will seek to utilize such facilities in its operation of the project. Further to the extent the County is required to purchase water under a certain lease agreement and Master Energy Agreement with Trigen Lighthouse will reimburse the County for such expenses in connection with the Premises and in accordance with the terms of the Attached Lease.</p> <p>(b) The proposed disposition is to lease the Site per the attached Lease.</p>
II-2 Coliseum Renovation	Developer must set forth the total cost of renovations to the Coliseum building and parking, including specific details on the breakdown of expenses.	The total cost of renovation and improvements to the Coliseum including structured parking will likely be in excess of \$320 million.
II-3 Revenue Sharing	The County seeks revenue sharing opportunities with respect to the operations at the Coliseum, including ticket sales, luxury boxes, club seats, concessions, franchises, naming rights, broadcast rights and parking. Please set forth your offer to provide the County with revenue-Sharing opportunities from operations at the Coliseum building.	Per the attached Lease, revenue sharing and naming rights will be retained by Lighthouse as we consider this essential to the economic viability of the project.
II-4 SMG Lease Buyout / Condemnation	Developer will be required to terminate or amend the SMG lease to obtain site control. This may be accomplished through mutual agreement or condemnation, in either case, at developer's sole cost and expense. Developer must identify the preferred course of action and set forth estimated expenses associated with	Per the attached Lease <u>Section 53.4</u> , Lighthouse shall use diligent efforts to negotiate the acquisition of the SMG Lease. In the event Lighthouse notifies the County that it will be unable to obtain an assignment of the SMG Lease, the County shall take appropriate steps to condemn the SMG Lease by eminent domain at the sole cost and expense of Lighthouse. A condition to the County's

	that course of action.	<p>obligation to commence the condemnation proceedings is receipt of a guaranty from Charles Wang of payment of all amounts incurred by the County in connection therewith and an indemnity against any loss, liability, damage, claim, cost or expense in connection therewith.</p> <p>If the SMG Lease is acquired, condemned or otherwise terminated, Lighthouse shall be responsible for all of SMG's obligations thereunder, which shall continue until the earlier of (i) the Commencement Date or (ii) the scheduled expiration of the SMG Lease.</p>
II-5 Public Transportation	Developer must set forth its offer of financial support for public transportation improvements.	<p>As opposed to developing the Coliseum site as a stand alone project, our vision is to transform the Coliseum site into a pedestrian oriented destination which will connect and integrate the various components to form a much larger cultural and physical Hub connecting entertainment, offices, shops, museums, schools and recreation. We recognize that public transportation is an integral part of creating the new Hub for the County and we believe that it will enhance the overall project. Due to our ownership of the Islanders and the adjacent properties, we are both motivated and aligned with the County in the desire to see a viable public transportation system serve the site. To that end, we envision dropping the surrounding roadways to emphasize pedestrian and public transportation. In that regard we will work with the State and Federal Governments to secure funding to accomplish this goal. We will provide the required easements for the on-site infrastructure (as set forth in the attached Lease) and incorporate the on-site station(s) for a light rail or alternative system into our plan. Additionally, our control of the adjacent properties and development sites puts us in the best position to design the transportation system in a way that best integrates the surrounding area and brings the entire "Hub" together.</p>

<p>II-6 Financing Plan</p>	<p>The developer must provide to the County its financing plan which must be satisfactory to the County (in consultation with its advisors) in all respects.</p> <p>This financing plan should include all information required to provide the County sufficient data to evidence that the proposed development can be financed, constructed, and delivered in a timely fashion. The financing plan should contain the following:</p> <ol style="list-style-type: none"> 1. Development schedule and budget; 2. Sources and uses statement; <ul style="list-style-type: none"> • Sources, amounts, terms and conditions of financing and developer's equity; and • Breakdown of uses of funds in the project, Including an itemized list of all costs associated with the improvements of the Site. 3. Evidence of financing consistent with sources and uses statement; 4. Evidence of financial capacity of lenders and equity sources; 5. Identity and financial capacity of guarantor to guaranty lien-free completion of the project. <p>At the County's request, developer will submit a supplemental financing plan setting forth such information as County (in consultation with its advisors) deems, in the exercise of its sole discretion, helpful or relevant in evaluating developer or any aspect</p>	<ol style="list-style-type: none"> 1. Schedule: <ul style="list-style-type: none"> (a) Predevelopment 2006; (b) Construction Commencement 2007; (c) Occupancy (Phases) 2009-2013 <p>Budget: Estimated total budget of \$1.5 billion.</p> 2. The Lighthouse Team has the capacity to finance the entire project by utilizing their respective conservative balance sheets. Reckson Associates Realty Corp. (NYSE:RA) is a \$5 billion investment grade rated, publicly held real estate investment trust. <p>Per the terms of the attached Lease <u>Section 9.1</u> and in accordance with the terms of the form of Completion Guaranty annexed thereto Charles Wang personally shall provide a guaranty of the lien-free completion of the Renovations of the Coliseum and construction of the Coliseum Improvements.</p>
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	of its proposal and indicating any and all changes from any initial financing plan.	
II-7 Completion Guaranty:	Developer shall be required to deliver to the County a guaranty of the lien-free completion of the Coliseum renovation (including all improvements necessary for the operation of the Coliseum) in accordance with applicable law, and all other improvements proposed to be completed on the balance of the Coliseum Site, together with bonds, security deposits and/or other security acceptable to the County. All guaranties must be executed by entities and/or individuals whose financial capability shall have been demonstrated to the County's satisfaction. Please describe the amounts and various types of security instruments that are being offered to guaranty performance and completion.	Per the terms of the attached Lease and in accordance with the terms of the form of Completion Guaranty annexed thereto Charles Wang personally shall provide a guaranty of the lien-free completion of the Renovations of the Coliseum and construction of the Coliseum Improvements.
II-8 Costs and Expenses	<p>The developer shall be solely responsible for the following costs and expenses:</p> <ul style="list-style-type: none"> (1) to the extent applicable, New York State real property transfer and conveyance taxes; (ii) recordation fees with respect to any recordable instruments contemplated by the documents, such as a lease or contract of sale, which shall govern the disposition of the Coliseum Site; and (iii) the cost of any surveys desired by the Developer. <p>In addition, the Developer shall also be responsible for payment of the following costs and expenses of the County in connection with this disposition, the negotiation and drafting of the contract of sale/lease and related documents, and the closing of any transactions relating to the disposition of the Coliseum: fees and disbursements of outside counsel, engineers, appraisers, consultants, and financial and real estate advisors retained by the</p>	Per the attached Lease <u>Section 9.1</u> , Lighthouse is responsible for customary and reasonable costs involved in connection with obtaining approvals and other customary and reasonable expenses.

	<p>County.</p> <p>Disposition of the Site will trigger the need for an environmental review(s), including review under SEQRA. The Developer will fully compensate the responsible governmental unit or units for all costs and expenses associated with compliance with applicable environmental laws and regulations, including but not limited to the cost and expenses of preparing any and all reports, analysis, and documentation; public notifications, outreach, meetings, and hearings; and the procurement of environmental consultants and counsel as may be required.</p>	
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